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16		Telephone: (202) 220-1100		
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18				
10	UNITED STATES DISTRICT COURT			
19		DISTRICT COURT		
	NORTHERN DISTRI	ICT OF CALIFORNIA		
20				
21	SAN FRANCI	SCO DIVISION		
_1				
22				
	IN RE GOOGLE PLAY STORE	Case No. 3:21-md-02981-JD		
23	ANTITRUST LITIGATION			
ر ۱		DEFENDANTS' ANSWER, DEFENSES,		
24		AND COUNTERCLAIMS TO MATCH'S		
25	THIS DOCUMENT RELATES TO:	FIRST AMENDED COMPLAINT		
26	Match Group, LLC et al. v. Google LLC et al.,	DEMAND FOR JURY TRIAL		
	Case No. 3:22-cv-02746-JD			
27		Judge: Hon. James Donato		
28				
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	I .	Case No. 3:22-cv-02746-JD		

# 

#### INTRODUCTION

Google Play allows a developer to distribute its apps for free to billions of Android users around the world without paying a single cent to Google unless and until it makes a sale. Yet, in filing their complaint, Match Group now attempts to fully disregard its agreement with Google and take advantage of Google Play's value by misusing antitrust laws to force Google to give away its valuable services for free.

While Match Group claims that Google Play only provides payment processing, that simply isn't true. Google Play provides tools and a global distribution platform that has allowed Match Group to thrive and build a successful network of users that is critical for its dating apps. Match Group now seeks to access Google Play's global distribution platform and users and leverage Google's substantial investments in the platform, all for free.

Match Group's Complaint is a cynical attempt to take advantage of Google Play's tools and global distribution platform and sidestep the reasonable service fees that come with these benefits. Even worse, Match Group aims to undermine user experience to improve its own bottom line. A senior vice-president at Match Group shockingly acknowledged that Match Group's true concern about Google Play's billing system is the ease with which users can cancel their subscriptions using Google's account management tools. He wrote:



Match's deceptive approach to subscription cancellation has been called out by the Federal Trade Commission (FTC) and other consumer protection agencies. The FTC filed a complaint alleging that Match requires a cumbersome process to cancel certain subscriptions that leads consumers to think they have canceled when they have not. Match executives have acknowledged that the Match cancellation process is "hard to find, tedious and confusing." In 2017, Match's head of customer service admitted that it takes "up to 7 or 8 clicks to complete the flow to turn off

3:19-cv-02281 (N.D. Tex.) at ¶¶ 55-61.

and is a key part of the success of the Android ecosystem.

Match Group's troubling perspective on consumer billing demonstrates exactly why Google Play's billing system is an integral part of a consumer's overall experience on Google Play. Google Play's billing system gives consumers a consistent, safe, and secure way to pay for apps, subscriptions, and in-app purchases. This experience leads to more consumer transactions, which in turn generates demand for developers to *continually innovate* to create new and better apps and in-app products. Google Play's billing system thus benefits users and developers alike,

[subscriptions] if you can even figure out how to do it." See FTC v. Match Group, Inc., Case No.

Match Group disguises its true motives by alleging copycat and fundamentally defective antitrust theories. In so doing, Match Group ignores that Android competes aggressively against Apple's iOS. And, by providing Android as an open source mobile operating system ("OS") to smartphone manufacturers ("OEMs") for free, Google has expanded access to smartphones and the marketplace for mobile apps, creating enormous incentives for developers to invest in apps that make virtually every sector of the American economy more efficient, affordable and accessible for users. Match Group also ignores that, unlike competitors with closed ecosystems (like Apple's iOS), Google does not require Android users or developers to use Google Play to download, install, or distribute apps on Android smartphones. Rather, those developers and users can freely choose the app stores and other platforms they wish to use to interact with app consumers. Match Group itself has taken advantage of the choice afforded by Android and Google Play by distributing its apps on other app stores, like the Samsung Galaxy Store, which comes preloaded on a significant portion of devices in the United States. Match Group complains of foreclosure where there is none.

# RESPONSES TO NUMBERED PARAGRAPHS

The section headings in the First Amended Complaint do not require a response. To the extent that the section headings contain allegations requiring a response, Google denies all such allegations.

- 1. Defendants Google LLC, Google Ireland Limited, Google Commerce Ltd., Google Asia Pacific Pte. Limited, and Google Payment Corp. (collectively "Google") deny the allegations in Paragraph 1, except admit that Google LLC acquired the Android mobile operating system and that Android is an open ecosystem that, at its core, has always been about openness. Google avers that Google users use Google Play's billing system ("Google Play Billing") for in-app purchases with respect to apps distributed through Google Play with some exceptions, including purchasing physical goods and purchasing digital content elsewhere that is consumed within the app.
- 2. Google denies the allegations in Paragraph 2, except avers that Google provides benefits to developers, including Match Group, including discoverability made possible by distribution, e-learning opportunities, free tools for developers to effectively build apps for Android devices, testing and monitoring tools, and a global digital payment infrastructure to enable developers to transact with users using the most effective payment methods regardless of where the developers or users are located. Google further avers that Google has enabled developers to create revenue streams for themselves.
- 3. Google denies the allegations in Paragraph 3, and avers that, during the time when Match Group distributed its apps through Google Play, Match Group app users had the choice whether to pay for services using Google Play Billing or another mechanism because it was possible to purchase subscriptions and upgrades outside of Google Play for use in the version of the Match Group app available on Google Play.
- 4. Google denies the allegations in Paragraph 4, except admits one or more defendants receive a payment for in-app purchases with respect to apps distributed through Google Play and charge up to 30% as a service fee.
  - 5. Google denies the allegations in Paragraph 5.
- 6. Google denies the allegations in Paragraph 6, and avers that Google charges a service fee when a developer chooses to charge for app downloads, in-app purchases, or subscriptions for content distributed on Google Play, and Google is paid for the extensive services it provides developers and the sizable investment it makes in Google Play's tools, software, and technology, only if and when a user pays for an app, in-app product, or subscription.

1	7.	Google denies the allegations in Paragraph 7.			
2	8.	Google denies the allegations in Paragraph 8.			
3	9.	Google denies the allegations in Paragraph 9. Google is without knowledge or			
4	information su	information sufficient to form a belief as to the truth of the allegations in Paragraph 9 about Match			
5	Group and its	users.			
6	10.	Google denies the allegations in Paragraph 10. Google is without knowledge or			
7	information su	afficient to form a belief as to the truth of the allegations in Paragraph 10 about			
8	Match Group	and its users.			
9	11.	Google denies the allegations in Paragraph 11, except avers that Android users and			
10	developers have access to its open ecosystem.				
11	12.	Google denies the allegations in Paragraph 12.			
12	13.	Google denies the allegations in Paragraph 13.			
13	14.	Google denies the allegations in Paragraph 14.			
14	15.	Google denies the allegations in Paragraph 15.			
15	16.	Google denies the allegations in Paragraph 16, and respectfully refers the Court to			
16	the developer agreements for a complete and accurate statement of their contents.				
17	17.	Google denies the allegations in Paragraph 17.			
18	18.	Google denies the allegations in Paragraph 18, but admits the existence of lawsuits			
19	involving Google and state Attorneys Generals and the Department of Justice and the existence of				
20	government investigations and inquiries.				
21	19.	Google denies the allegations in Paragraph 19, and respectfully refers the Court to			
22	the cited legislation for a complete and accurate statement of their contents.				
23	20.	Google denies the allegations in Paragraph 20.			
24	21.	Google denies the allegations in Paragraph 21.			
25	22.	Google denies the allegations in Paragraph 22.			
26	23.	Google admits to the existence of a new pilot program for User Choice Billing, but			
27	otherwise den	ies the allegations in Paragraph 23.			
28	24.	Google denies the allegations in Paragraph 24.			
		-4- Case No. 3:22-cv-02746-JD			

25. Google denies the allegations in Paragraph 25. 1 2 26. Google denies the allegations in Paragraph 26. 27. 3 Google denies the allegations in Paragraph 27. 4 28. Google denies the allegations in Paragraph 28. 5 29. Google denies the allegations in Paragraph 29. 6 30. Google is without knowledge or information sufficient to form a belief as to the 7 truth of the allegations in Paragraph 30. 8 31. Google is without knowledge or information sufficient to form a belief as to the 9 truth of the allegations in Paragraph 31. Google is without knowledge or information sufficient to form a belief as to the 10 32. 11 truth of the allegations in Paragraph 32. 12 33. Google is without knowledge or information sufficient to form a belief as to the 13 truth of the allegations in Paragraph 33. 34. 14 Google denies the allegations in Paragraph 34, except admits that Google LLC is a limited liability company organized and existing under the laws of the State of Delaware with its 15 16 principal place of business in Mountain View, California, and that Google LLC is a party to the 17 Google Play Developer Distribution Agreement ("DDA"). Google further admits that Google LLC 18 is a subsidiary of XXVI Holdings Inc., which is a Delaware corporation and a subsidiary of 19 Alphabet Inc. Google further admits that Alphabet Inc. is a publicly traded company that is 20 incorporated and existing under the laws of the State of Delaware and that maintains its principal 21 executive offices in Mountain View, California. 22 35. Google denies the allegations in Paragraph 35, except admits that Google Ireland 23 Limited is organized under the laws of Ireland with its principal place of business in Dublin, 24 Ireland, is a subsidiary of Google LLC, and is a party to the DDA. 25 36. Google denies the allegations in Paragraph 36, except admits that Google Commerce Ltd. is organized under the laws of Ireland with its principal place of business in 26 27 Dublin, Ireland and is a party to the DDA.

- 37. Google denies the allegations in Paragraph 37, except admits that Google Asia Pacific Pte. Ltd. is organized under the laws of Singapore with its principal place of business in Mapletree Business City, Singapore and is a party to the DDA.
  - 38. Google admits the allegations in Paragraph 38.
- 39. The allegations in Paragraph 39 are legal conclusions not subject to admission or denial. To the extent a response is required, Google does not dispute subject matter jurisdiction.
- 40. The allegations in Paragraph 40 are legal conclusions not subject to admission or denial. To the extent a response is required, Google does not dispute—for purposes of this action only—the personal jurisdiction of this Court, but Google otherwise denies the allegations in Paragraph 40.
- 41. Google denies the allegations in Paragraph 41, except admits that each of the defendants, except Google Payment Corp., is a party to the DDA, to which document Google respectfully refers the Court for a complete and accurate statement of its contents. Google further avers that the allegations in the fourth sentence are legal conclusions not subject to admission or denial, and to the extent a response is required, Google does not dispute—for purposes of this action only—personal jurisdiction of this Court.
- 42. The allegations in Paragraph 42 are legal conclusions not subject to admission or denial. To the extent a response is required, Google does not dispute—for purposes of this action only—the venue of this action, and respectfully refers the Court to the cited statutory codes for a complete and accurate statement of their contents.
- 43. The allegations in Paragraph 43 are legal conclusions not subject to admission or denial. To the extent a response is required, Google denies the allegations in Paragraph 43.
- 44. Google avers that internet and mobile devices are used by billions of users over the world, but is without knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 44.
- 45. Google is without knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 45.

- 46. Google admits that MGI offers dating services through its subsidiaries Tinder®, Match®, OkCupid® PlentyOfFish®, and OurTime®, but is without knowledge or information sufficient to form a belief as to the truth of the remaining allegations in Paragraph 46.
- 47. Google admits that MGI companies offer services that can be used by users to connect with one another, but is without knowledge or information sufficient to form a belief as to the truth of the remaining allegations in Paragraph 47.
- 48. Google admits that Match Group's Tinder is a dating service and app, but is without knowledge or information sufficient to form a belief as to the truth of the remaining allegations in Paragraph 48.
- 49. Google is without knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 49.
- 50. Google admits that Tinder offers various subscription tiers and a la carte digital purchase options, but is without knowledge or information sufficient to form a belief as to the truth of the remaining allegations in Paragraph 50.
- 51. Google is without knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 51.
- 52. Google is without knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 52.
- 53. Google admits that Match offers multiple subscription plans, including a plan without a charge, but is without knowledge or information sufficient to form a belief as to the truth of the remaining allegations in Paragraph 53.
- 54. Google admits that Match offers services through its mobile app, but is without knowledge or information sufficient to form a belief as to the truth of the remaining allegations in Paragraph 54.
- 55. Google is without knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 55.

Google denies the allegations in Paragraph 69.

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69.

Paragraph 115 regarding what Match Group or MGI were asked to do.

- 116. Google denies the allegations in Paragraph 117, except admits that Mr. Sine appeared before the Senate Judiciary Subcommittee on Competition Policy, Antitrust, and Consumer Rights on April 21, 2021, and respectfully refers the Court to the cited testimony for a complete and accurate statement of its contents.
- 117. Google denies the allegations in Paragraph 117, except admits that Mr. Sine appeared before the Senate Judiciary Subcommittee on Competition Policy, Antitrust, and Consumer Rights on April 21, 2021, and respectfully refers the Court to the cited testimony for a complete and accurate statement of its contents.
- 118. Google denies the allegations in Paragraph 117, except admits that Mr. Sine appeared before the Senate Judiciary Subcommittee on Competition Policy, Antitrust, and Consumer Rights on April 21, 2021, and respectfully refers the Court to the cited testimony for a complete and accurate statement of its contents.
  - 119. Google denies the allegations in Paragraph 119.
  - 120. Google denies the allegations in Paragraph 120.
- 121. Google denies the allegations in Paragraph 121, except avers that users can download apps directly from a developer's website if they choose via sideloading and that multiple app stores and access points to apps exist, as users can and do multi-home in accessing apps.
  - 122. Google denies the allegations in Paragraph 122.
  - 123. Google denies the allegations in Paragraph 123.
  - 124. Google denies the allegations in Paragraph 124.
- 125. Google denies the allegations in Paragraph 125, except avers that Google provides valuable security screening and safeguards to protect the user experience.
  - 126. Google denies the allegations in Paragraph 126.
- 127. Google denies the allegations in Paragraph 127, and avers that users select their mobile device for many reasons, including that users prefer a mobile device with an app store preinstalled, and that users want a secure mobile device. Google also avers that evidence shows that

1	users can and do switch and multi-home among and between mobile and nonmobile ecosystems,		
2	including between Android and iOS.		
3	128.	Google denies the allegations in Paragraph 128, and respectfully refers the Court to	
4	the Anti-Frag	mentation Agreement and Android Compatibility Commitment for a complete and	
5	accurate state	ement of their contents.	
6	129.	Google denies the allegations in Paragraph 129.	
7	130.	Google denies the allegations in Paragraph 130.	
8	131.	Google denies the allegations in Paragraph 131.	
9	132.	Google denies the allegations in Paragraph 132.	
10	133.	Google denies the allegations in Paragraph 133.	
11	134.	Google denies the allegations in Paragraph 134.	
12	135.	Google denies the allegations in Paragraph 135.	
13	136.	Google denies the allegations in Paragraph 136.	
14	137.	Google denies the allegations in Paragraph 137.	
15	138.	Google admits the allegations in Paragraph 138.	
16	139.	Google admits that consumers spend money on in-app purchases of digital content	
17	goods, services, and upgrades, but is without knowledge or information sufficient to form a belief		
18	as to the truth	of the remaining allegations in Paragraph 139.	
19	140.	Google denies the allegations in Paragraph 140.	
20	141.	Google denies the allegations in Paragraph 141.	
21	142.	Google denies the allegations in Paragraph 142, except avers that evidence shows	
22	that users car	and do switch and multi-home among and between mobile and nonmobile	
23	ecosystems, i	ncluding between Android and iOS.	
24	143.	Google denies the allegations in Paragraph 143, except admits that Google users	
25	use Google P	lay Billing for purchases through Google Play with some exceptions, including	
26	purchasing physical goods and purchasing digital content elsewhere that is consumed within the		
27	app.		
28	144.	Google denies the allegations in Paragraph 144.	

the cited document for a complete and accurate statement of its contents.

1	161.	Google denies the allegations in Paragraph 161.	
2	162.	Google denies the allegations in Paragraph 162.	
3	163.	Google denies the allegations in Paragraph 163.	
4	164.	Google denies the allegations in Paragraph 164.	
5	165.	Google denies the allegations in Paragraph 165.	
6	166.	Google denies the allegations in Paragraph 166.	
7	167.	Google denies the allegations in Paragraph 167.	
8	168.	Google denies the allegations in Paragraph 168.	
9	169.	Google denies the allegations in Paragraph 169.	
10	170.	Google denies the allegations in Paragraph 170.	
11	171.	Google denies the allegations in Paragraph 171.	
12	172.	Google denies the allegations in Paragraph 172.	
13	173.	Google denies the allegations in Paragraph 173.	
14	174.	Google denies the allegations in Paragraph 174, except admits that Google users	
15	use Google Play Billing for purchases through Google Play with some exceptions, including		
16	purchasing physical goods and purchasing digital content elsewhere that is consumed within the		
17	app.		
18	175.	Google is without knowledge or information sufficient to form a belief as to the	
19	truth of the al	legations in Paragraph 175 and on that basis denies the allegations on Paragraph 175.	
20	176.	Google is without knowledge or information sufficient to form a belief as to the	
21	truth of the al	legations in Paragraph 176 and on that basis denies the allegations on Paragraph 176.	
22	177.	Google is without knowledge or information sufficient to form a belief as to the	
23	truth of the al	legations in Paragraph 177 and on that basis denies the allegations on Paragraph 177.	
24	178.	Google is without knowledge or information sufficient to form a belief as to the	
25	truth of the al	legations in Paragraph 178 and on that basis denies the allegations on Paragraph 178.	
26	179.	Google is without knowledge or information sufficient to form a belief as to the	
27	truth of the al	legations in Paragraph 179 and on that basis denies the allegations on Paragraph 179.	
28			

1	195.	Google denies the allegations in Paragraph 195.	
2	196.	Google denies the allegations in Paragraph 196.	
3	197.	Google denies the allegations in Paragraph 197.	
4	198.	Google denies the allegations in Paragraph 198.	
5	199.	Google denies the allegations in Paragraph 199.	
6	200.	Google denies the allegations in Paragraph 200, except avers that Google clarified	
7	its payment po	olicy in September 2020.	
8	201.	Google denies the allegations in Paragraph 201, and respectfully refers the Court to	
9	the cited blog	post for a complete and accurate statement of its contents.	
10	202.	Google denies the allegations in Paragraph 202, and respectfully refers the Court to	
11	the cited docu	ments for a complete and accurate statement of their contents.	
12	203.	Google denies the allegations in Paragraph 203, and respectfully refers the Court to	
13	the cited docu	ments for a complete and accurate statement of their contents.	
14	204.	Google denies the allegations in Paragraph 204.	
15	205.	Google denies the allegations in Paragraph 205.	
16	206.	Google denies the allegations in Paragraph 206, except admits that legislation	
17	regarding the	app ecosystem was considered in South Korea.	
18	207.	Google denies the allegations in Paragraph 207.	
19	208.	Google denies the allegations in Paragraph 208.	
20	209.	Google denies the allegations in Paragraph 209, except admits that Fortnite app was	
21	removed from	Google Play on August 13, 2020 as a result of Epic's breach of the terms of its	
22	contract with Google LLC, Google Ireland Limited, Google Commerce Ltd., and Google Asia		
23	Pacific Pte., a	nd avers that Epic's deception and fraud were planned and executed over a period of	
24	many months.		
25	210.	Google denies the allegations in Paragraph 210, and respectfully refers the Court to	
26	the referenced	announcement for a complete and accurate statement of its contents.	
27	211.	Google denies the allegations in Paragraph 211.	
28	212.	Google denies the allegations in Paragraph 212.	
- 1		17 C N- 2-22 02746 ID	

1	213.	Google defiles the allegations in Paragraph 215.	
2	214.	Google denies the allegations in Paragraph 214.	
3	215.	Google denies the allegations in Paragraph 215.	
4	216.	Google denies the allegations in Paragraph 216.	
5	217.	Google denies the allegations in Paragraph 217.	
6	218.	Google denies the allegations in Paragraph 218.	
7	219.	Google denies the allegations in Paragraph 219.	
8	220.	Google reasserts and hereby incorporates by reference its responses to each	
9	Paragraph of l	Plaintiff's First Amended Complaint, as though fully set forth herein.	
10	221.	The allegations in Paragraph 221 are legal conclusions not subject to admission or	
11	denial. To the	extent a response is required, Google respectfully refers the Court to the cited Act	
12	for a complete and accurate statement of its contents.		
13	222.	Google denies the allegations in Paragraph 222, except admits that DDA is an	
14	agreement bet	ween Google and developers and that developers are generally required to enter into	
15	the DDA to distribute apps through Google Play.		
16	223.	The allegations in Paragraph 223 are legal conclusions not subject to admission or	
17	denial. To the	extent a response is required, Google denies the allegations in Paragraph 223.	
18	224.	Google denies the allegations in Paragraph 224.	
19	225.	Google denies the allegations in Paragraph 225.	
20	226.	Google denies the allegations in Paragraph 226, except admits that Google users	
21	use Google Play Billing for purchases through Google Play with some exceptions, including		
22	purchasing ph	ysical goods and purchasing digital content elsewhere that is consumed within the	
23	app.		
24	227.	Google denies the allegations in Paragraph 227.	
25	228.	Google denies the allegations in Paragraph 228.	
26	229.	Google denies the allegations in Paragraph 229.	
27	230.	Google denies the allegations in Paragraph 230, except admits that it engages in	
28	interstate and	foreign commerce.	
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1	248.	Google denies the allegations in Paragraph 2	248.		
2	249.	Google denies the allegations in Paragraph 2	49, except admits that it engages in		
3	interstate and foreign commerce.				
4	250. Google denies the allegations in Paragraph 250.				
5	251.	Google reasserts and hereby incorporates by	reference its responses to each		
6	Paragraph of 1	Plaintiff's First Amended Complaint, as thoug	gh fully set forth herein.		
7	252.	Google denies the allegations in Paragraph 2	252, except admits that developers are		
8	generally requ	aired to enter into the DDA to distribute apps	through Google Play.		
9	253.	Google denies the allegations in Paragraph 2	253.		
0	254.	Google denies the allegations in Paragraph 2	254.		
1	255.	Google denies the allegations in Paragraph 2	255.		
2	256.	Google denies the allegations in Paragraph 2	256.		
3	257.	Google denies the allegations in Paragraph 2	257.		
4	258.	Google denies the allegations in Paragraph 2	258, except admits that it engages in		
5	interstate and foreign commerce.				
6	259.	Google denies the allegations in Paragraph 2	259.		
7	260.	Google reasserts and hereby incorporates by	reference its responses to each		
8	Paragraph of Plaintiff's First Amended Complaint, as though fully set forth herein.				
9	261.	The allegations in Paragraph 261 are legal co	onclusions not subject to admission or		
20	denial. To the	extent a response is required, Google respect	fully refers the Court to the cited Act		
21	for a complete	e and accurate statement of its contents.			
22	262.	Google denies the allegations in Paragraph 2	262.		
23	263.	Google denies the allegations in Paragraph 2	263, except admits that DDA is an		
24	agreement bet	tween Google and developers and that develop	pers are generally required to enter into		
25	the DDA to da	istribute apps through Google Play.			
26	264.	Google denies the allegations in Paragraph 2	264.		
27	265.	Google denies the allegations in Paragraph 2	265.		
28	266.	Google denies the allegations in Paragraph 2			
		-20-	Case No. 3:22-cv-02746-JD		

1	281.	Google reasserts and hereby incorporates by reference its responses to each	
2	Paragraph of Plaintiff's First Amended Complaint, as though fully set forth herein.		
3	282.	Google denies the allegations in Paragraph 282.	
4	283.	Google denies the allegations in Paragraph 283, except admits that it entered into	
5	certain agreer	nents with the developers specified in the letter cited in Paragraph 283.	
6	284.	Google denies the allegations in Paragraph 284, except admits that it entered	
7	agreements w	ith some developers as part of the Games Velocity Program and Apps Velocity	
8	Program, and	respectfully refers the Court to those agreements for a complete and accurate	
9	statement of their contents.		
10	285.	Google denies the allegations in Paragraph 285, except admits that it engages in	
11	interstate and foreign commerce.		
12	286.	Google denies the allegations in Paragraph 286.	
13	287.	Google denies the allegations in Paragraph 287.	
14	288.	Google denies the allegations in Paragraph 288.	
15	289.	Google denies the allegations in Paragraph 289.	
16	290.	Google reasserts and hereby incorporates by reference its responses to each	
17	Paragraph of Plaintiff's First Amended Complaint, as though fully set forth herein.		
18	291.	The allegations in Paragraph 291 are legal conclusions not subject to admission or	
19	denial. To the extent a response is required, Google respectfully refers the Court to the cited Act		
20	for a complete and accurate statement of its contents.		
21	292.	Google denies the allegations in Paragraph 292.	
22	293.	Google denies the allegations in Paragraph 293.	
23	294.	Google denies the allegations in Paragraph 294.	
24	295.	Google denies the allegations in Paragraph 295.	
25	296.	Google denies the allegations in Paragraph 296, except admits that it engages in	
26	interstate and foreign commerce.		
27	297.	Google denies the allegations in Paragraph 297.	

1 **Answer to Plaintiff's Prayer for Relief:** To the extent that an answer is required to the 2 Prayer for Relief, Google denies the allegations contained therein. Google further states that 3 Plaintiff is not entitled to any remedies sought in the First Amended Complaint. 4 AFFIRMATIVE OR ALTERNATIVE DEFENSES 5 In addition to the reasons stated above, Plaintiff is not entitled to relief, and Google is 6 entitled to judgment in its favor and against Plaintiff, on the basis of the following Affirmative or 7 Alternative Defenses, pleaded in the alternative to the extent they may be found to be inconsistent. 8 Google further states that Plaintiff is not entitled to injunctive relief, including any injunctive relief 9 that is worldwide in scope or that would extend beyond Epic. In asserting these defenses, Google 10 does not assume the burden of proof on any issue that would otherwise rest on Plaintiff. Further, 11 Google reserves all affirmative defenses under Federal Rule of Civil Procedure 8(c) and any other 12 defenses, at law or in equity, that may now exist or in the future be available based on discovery 13 and further factual investigation in this case. 14 **First Defense** 15 (Failure to State a Cause of Action) 16 The First Amended Complaint fails to state a claim upon which relief can be granted. 17 **Second Defense** 18 (Legitimate Business Justifications) 19 Any and all of Google's actions alleged by Plaintiff were lawful, justified, procompetitive, 20 and carried out in Google's legitimate business interests and constitute bona fide competitive 21 activity, the benefits of which significantly outweigh any alleged anticompetitive effects. 22 Third Defense 23 (Relief Contrary to Public Interest, Inequitable, Impractical, and Unworkable) 24 The relief sought by Plaintiff would be contrary to the public interest, harm consumers, 25 and is otherwise inequitable, impractical, and unworkable. 26 27 28

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1	Fourth Defense
2	(Privilege to Protect Own Economic Interest)
3	The relief sought by Plaintiff is barred, in whole or in part, by Google's privilege to protect
4	its own economic interest.
5	<u>Fifth Defense</u>
6	(International Comity)
7	Plaintiff's claims are barred, in whole or in part, by the doctrine of international comity,
8	insofar as Plaintiff seeks injunctive relief affecting transactions and conduct occurring outside the
9	United States jurisdiction.
0	<u>Sixth Defense</u>
1	(Failure to Join an Indispensable Party)
2	The First Amended Complaint fails to join necessary and indispensable parties, including,
3	but not limited to, consumers and developers of apps distributed for free on Google Play.
4	Seventh Defense
5	(Foreign Trade Antitrust Improvements Act)
6	Plaintiff's claims are barred, in whole or in part, by the Foreign Trade Antitrust
7	Improvements Act, 15 U.S.C. § 6a, insofar as Plaintiff makes claims concerning transactions or
8	alleged conduct involving trade or commerce with foreign nations outside U.S. jurisdiction.
9	Eighth Defense
20	(Noerr-Pennington Doctrine)
21	Plaintiff's causes of action are barred, in whole or in part, by the Noerr-Pennington
22	doctrine.
23	Ninth Defense
24	(Unclean Hands)
25	Plaintiff's claims are barred, in whole or in part, by the doctrine of unclean hands for the
26	reasons asserted below in Google's Counterclaims.
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<u>Tenth Defense</u>
(In Pari Delicto)
Plaintiff's claims are barred, in whole or in part, by the doctrine of in pari delicto and/or
Plaintiff's equal involvement in the alleged antitrust violation.
<b>Eleventh Defense</b>
(Estoppel)
Plaintiff's claims are barred, in whole or in part, by the doctrine of estoppel.
<u>Twelfth Defense</u>
(Dormant Commerce Clause)
Plaintiffs' claims are barred in whole or in part by the Dormant Commerce Clause.
RESERVATION OF DEFENSES
Google reserves the right to assert additional defenses when it determines the particulars of
Plaintiff's claims, which are not apparent on the face of the First Amended Complaint. Google
reserves the right to amend this Answer to add, delete, or modify defenses based upon legal
theories that may be or will be divulged through clarification of Plaintiff's First Amended
Complaint, through discovery, or through further legal analysis of Plaintiff's position in this
litigation.
JURY DEMAND
Google demands a trial by jury on all issues so triable.
GOOGLE'S COUNTERCLAIMS IN REPLY
Defendants and Counter-plaintiffs Google LLC, Google Ireland Limited, Google
Commerce Ltd., and Google Asia Pacific Pte. Ltd. (collectively, "Google"), on personal
knowledge as to their own acts, and on information and belief as to all others based on their own
and their attorneys' investigation, allege the following Counterclaims against Plaintiffs and
Counter-defendants Match Group, LLC, Humor Rainbow, Inc., Plentyoffish Media ULC, and
People Media, Inc. (collectively "Match Group").
Match Group, a multibillion dollar publicly-traded company, has profited immensely from
Google Play. Match Group has accessed billions of Android users through Google Play and, as a  -29- Case No. 3:22-cv-02746-JD

result, tens of millions of users have opted to download Match Group's apps from the safe, secure platform provided by Google Play. Match Group pays *nothing* to Google for any of these downloads or for the multitude of other services and tools that Google has provided to Match, including app development and optimization tools, such as application programming interfaces (APIs) and app performance reports that Google provides to all developers. For those minority of users whom the Match Group charges a fee, Google generally collects a 15% fee, half the amount other major app transaction platforms charge. Google has been clear and consistent as to compensation from Day 1: Google receives *nothing* from an app developer *unless and until* a developer opts to charge a user for an app download, in-app purchase, or subscription. When the app developer is paid, Google is entitled to a fee that is consistent with, or below, competitive prices. Match Group voluntarily entered into this arrangement by signing the Google Play Developer Distribution Agreement (the "DDA") — a binding contract.

By choosing to make its apps available through Google Play, Match Group has ready access to billions of users and potential users of its apps and has earned hundreds of millions of dollars as a result. Yet Match Group wants more. It now attempts to ignore the terms to which it expressly agreed and further enrich itself by contending it should pay *nothing* at all to Google. Not only would that deprive Google of any consideration for the immense investment in Android and the direct benefits it provides Match Group through the Google Play store, it would also place Match Group in an advantaged position relative to other app developers who honor their agreements and compensate Google in good faith for the benefits they receive. Match Group never intended to comply with the contractual terms to which it agreed, and deceived Google by misrepresenting its true intentions. Instead, Match Group provokes this legal and public relations confrontation in an attempt to deprive Google of the benefit of its bargain with Match Group and to gain unfair advantage over other app developers.

Google therefore brings the following counterclaims to seek all available remedies from Match Group, including but not limited to monetary relief resulting from Match Group's breach of contract, its bad faith dealings with Google, its intentional misrepresentations concerning

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# compliance with its promises, and a declaratory judgment permanently excluding Match Group from Google Play.

# I. <u>JURISDICTIONAL STATEMENT</u>

#### A. Jurisdiction

- 1. The Court has subject matter jurisdiction over Google's counterclaims pursuant to 28 U.S.C. § 1367 because each of Google's counterclaims arises out of the same transaction or occurrence and the same common nucleus of operative facts as Match Group's claims brought under 15 U.S.C. § 26 and 28 U.S.C. §§ 1331 and 1337.
- 2. Match Group has subjected itself to personal jurisdiction by filing its First Amended Complaint in the Northern District of California. Match Group has further subjected itself to personal jurisdiction in this District because it has engaged in minimum sufficient contacts with this District and has purposefully availed itself of the benefits and protections of both United States and California law such that the exercise of jurisdiction over Match Group would comport with due process requirements. Moreover, all claims between Google and Match Group arising out of or relating to the DDA are governed by the laws of the State of California, and the parties agreed to submit to jurisdiction within this District. DDA, § 16.8.

#### B. Venue

3. Venue is proper in this District because Match Group brought this action and thereby consented to venue. Alternatively, venue is proper in this District under 28 U.S.C. § 1391(b) because a substantial part of the events or omissions giving rise to Match Group's claims occurred in this District.

## II. THE PARTIES

- 4. Google LLC is a limited liability company organized and existing under the laws of the State of Delaware, and has its principal place of business in Mountain View, California.
- 5. Google Ireland Limited is a company incorporated in Ireland with its principal place of business in Dublin, Ireland.
- 6. Google Commerce Ltd. is a company incorporated in Ireland with its principal place of business in Dublin, Ireland.

- 7. Google Asia Pacific Pte. Ltd. is a company incorporated in Singapore with its principal place of business in Mapletree Business City, Singapore.
- 8. Match Group, LLC is a wholly owned subsidiary of Match Group, Inc., a publicly traded Delaware corporation based in Dallas, Texas. Match Group, LLC has its principal place of business in Dallas, Texas.
- 9. Humor Rainbow, Inc. is a wholly owned subsidiary of Match Group, Inc. Humor Rainbow, Inc. is a New York corporation with its principal place of business in Dallas, Texas.
- 10. PlentyofFish Media ULC is a wholly owned subsidiary of Match Group, Inc.. PlentyofFish Media ULC is a Canadian corporation with its principal place of business in Vancouver, British Columbia, Canada.
- 11. People Media, Inc. is a wholly owned subsidiary of Match Group, Inc. People Media, Inc. is a Delaware corporation with its principal place of business in Dallas, Texas.

### III. <u>BACKGROUND</u>

# A. Android App Distribution and Google Play

- 12. Started in a Silicon Valley garage in 1998, Google is one of the most innovative technology companies on the planet. In 2008, Google introduced the open-source Android operating system. To this day, Google licenses Android for free.
- 13. Google also operates Google Play, an online store where people go to find and enjoy their favorite apps, games, movies, TV shows, books, and more on their Android devices.
- 14. Google Play is not the only Android app store developers and users enjoy a wide array of options for distributing, downloading, and installing apps on Android devices, including third-party app stores, direct downloads, and web apps but many developers and users prefer Google Play because of its discoverability features, wide selection, and security and privacy protections. Match Group also distributes its apps on several other Android app stores, Apple's App Store, and through websites that are accessible on any mobile or desktop device with a browser.

- 15. Thus, Google Play competes not only with other Android app stores, but Google and Android also compete with Apple iOS and the Apple App Store, as well as other available platforms for app transactions, including developer websites and non-mobile platforms.
- 16. Developers do not have to distribute apps through Google Play, but those that choose to do so must enter into the DDA, which is a "legally binding contract between [a developer] and Google in relation to [that developer's] use of Google Play to distribute [that developer's] Product." DDA § 2.1. The DDA also incorporates Google's Developer Program Policies. *See* DDA § 4.1.
- 17. The DDA "covers both Products that users can access for free and Products that users pay a fee to access." DDA § 3.2. Under the DDA, Google does not collect a service fee unless a developer chooses to monetize an app distributed on Google Play—and even then only if the developer charges for downloads, in-app purchases, or subscriptions. As the DDA states, "You may also choose to make Products available for free. If the Product is free, You will not be charged a Service Fee." DDA § 3.7. Approximately 97% of developers have apps available on Google Play and pay no fees, meaning Google Play allows the great majority of developers to reach a worldwide audience of *billions*, all without having to pay Google a penny (other than a nominal, one-time fee of \$25 to set up a Google Play developer account).
- 18. Under the DDA, developers who choose to monetize apps distributed through Google Play are not required to choose any particular monetization strategy. They have a variety of monetization options at their disposal, including paid distribution (i.e., charging a price to download the app), sale of in-app products, subscriptions, and advertisements.
- 19. When a developer chooses to charge for app downloads, in-app purchases, or subscriptions for content distributed on Google Play, Google charges a service fee of up to 30% of the price charged by the developer. At present, the vast majority of developers are eligible for a reduced service fee of 15% or less, and this is the rate that applies to subscriptions that Match Group sells to users for access to additional features in its apps. What this means is that, under the DDA, Google is paid for the extensive services and value it provides developers and the sizable investment it makes in Google Play's tools, software, and technology, *only* if and when a

developer chooses to sell *and* a user chooses to pay for an app, in-app product, or subscription. This business model allows Google to efficiently collect the service fee payments from developers. And, those service fee payments are used to support and invest in the Google Play ecosystem, so that *all* developers, big or small, from wealthy conglomerates to a teenager in their basement, can choose a monetization model that works for them (including no monetization and "freemium" models) and can continuously benefit from new and innovative Google Play and Android tools and features.

- 20. Google Play's Payment policy (which is incorporated into Section 4.1 of the DDA) provides that only when a developer charges for downloads, certain in-app purchases, or subscriptions in apps distributed on Google Play, the developer must use Google Play's integrated billing system, a trusted and secure digital payment infrastructure.
- 21. Under the DDA and its incorporated policies, developers must also submit their apps and app updates to Google for review and approval before that content is made available on Google Play. To be approved, an app must comply with Google's Restricted Content, Malware, and Mobile Unwanted Software policies. Complying with these policies ensures the safety and integrity of Android and provides valuable security screening and safeguards to protect the user experience.
- Developers who sign the DDA agree to "use Google Play only for purposes that are permitted by this Agreement and any applicable law, regulation, or generally accepted practices or guidelines in the relevant jurisdictions (including any laws regarding the export of data or software to and from the United States or other relevant countries)." DDA § 4.6. The DDA grants Google the right to "reject, remove, suspend, limit the visibility of a Product on Google Play" if "a Product or any portion thereof . . . violates this Agreement, applicable policies, or other terms of service." DDA §§ 8.3, 10.3.
- 23. Of course, a developer does not have to agree to the DDA to distribute an app on Android. The DDA only applies to apps distributed on Google Play. *See* DDA § 2.1. Neither the DDA, nor Google's policies, nor Android itself precludes developers from making available Android apps to users through preloading deals with OEMs, competing app stores, or directly

from a website. Google does not collect service fees from apps made available through these competing channels. And Google collects no service fees when developers use the tools provided to them for free by Google to develop their apps that in turn are distributed on stores that compete with Google Play.

- 24. Moreover, even when a developer, including Match Group, chooses to connect with users through Google Play, it can opt to have users pay for in-app content outside of the app. For example, a developer like Match Group can have users pay for subscriptions through the developer's website, then log into the Play-distributed app and use the subscription in the app. Google collects no service fees from payments for in-app content made outside of the app.
- benefit from convenient payment and subscription management tools. Payments for app subscriptions, games, ad-free apps, or other in-app purchases can be made through a single trusted and convenient payment processor used by Google Play so that the user does not have to incur the risks of providing credit card or other payment information to dozens of different developers, many of whom are not well-known and are not located in the U.S. Google Play's secure integrated digital payment infrastructure enables developers to transact with users, regardless of where those developers or users are located, local currencies, or preferred form of payment. Among these payment options is direct carrier billing, which allows a user to purchase in-app content by including the charge on the user's cell phone bill. Google Play also offers gift cards for sale in thousands of retail outlets, which may be purchased with cash or any other retail payment method and then redeemed on Google Play for any in-app purchase. Both of these are convenient options for those who either have no credit card or prefer not to use it.
- 26. Google Play's integrated billing system safely collects and stores users' payment information, ensures users have accurate and detailed information on what they are buying, how much, and from whom, prevents redundant or unintentional purchases, and provides post-purchase receipts. Google Play's billing system also allows users to have one clear centralized point of contact for customer support and refunds, and provides users with optional financial safety tools

such as its cross-app budgeting feature, parental controls, and the option to authenticate every purchase.

27. In addition, Google Play's billing system provides for convenient refunds for app purchases that were either not authorized by the user or were made accidentally, and provides subscription management services so user can view and manage all in-app subscriptions in a single place, receive reminders before a subscription renews or a trial period ends, and quickly and easily cancel a subscription at any time that the user no longer wants. Google Play's billing system APIs also protect developers from financial threats such as refund fraud.

#### B. Match Group

- 28. Match Group is a dating app developer. It is a publicly traded company with a current market capitalization of approximately \$22 billion. Match Group has developed, or has obtained through acquisitions, a number of dating apps, including Match.com, Tinder, OKCupid, Plenty of Fish, Our Time, Hinge, Black People Meet, Pairs, Hawaya: Meet Muslim Singles, and many others.
- 29. Match Group's apps use the "freemium" business model where a user downloads and uses a dating app with basic, core features for free, but can purchase in-app features or upgrade to a premium tier subscription to experience additional features. For example, under the free version of Tinder, users have limited use of the "Swipe Right" feature to "match" with another user and do not know when a match may have read their messages. A user can purchase a subscription to a premium tier of Tinder to have unlimited use of the "Swipe Right" feature, or can purchase a "Read Receipts" feature in packs of 5, 10 and 20. These features are available on a website or through the app, regardless of where the user made the original in-app or subscription purchase.
- 30. Match Group has exploited the "freemium" model to achieve widespread availability of its apps. Users can "try out" Match Group's apps without having to pay anything. This is important because the success of a dating app depends on whether it is "discoverable" by users so that a critical mass of users can connect with each other. The dating app freemium business model thus depends on broad, free (or very low-cost) availability of a developer's apps.

available to such large number of Google Play users. Match Group, in turn, has realized hundreds of millions of dollars in revenue from the small percentage of that large free user base who decide to pay for additional app functionality. For example, users downloaded the Android version of Match Group's Tinder app from 2018 to 2021, but only of those made a purchase through the app. Similarly, of the users who downloaded the Android version of Match Group's Plenty of Fish app from 2019 to 2021, only

made a purchase through the app. Thus, only approximately

Match Group's apps pay anything, while use the apps for free.

- 32. Under the DDA, Match Group can also allow users to use in-app features and subscriptions in their Google Play-downloaded apps, regardless of where a user purchases the features or subscription. For example, a user can pay for a subscription through a Match Group website then open the Google Play downloaded app and use the subscription in the app. Or a user can pay for a subscription in a Match Group app downloaded on the user's iPad, then switch to an Android phone, download the same app from Google Play, and use the subscription in the Google Play downloaded app. Google collects no service fee from either of these types of in-app and subscription purchases.
- 33. Indeed, Match Group's own data reveal its use of these alternative methods. For example, in 2021 Match Group's U.S. revenue for its popular Tinder app received through the

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of the Google Play users of

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2010 and June 2020. Match Group entered into each iteration of the DDA with full knowledge of its terms.

- 41. Match Group also knew well that it could choose how to monetize its apps, including through the free-to-download and "freemium" model that it has used to its great commercial advantage, where Match Group app users can purchase digital content outside of the Google Play downloaded app and consume such content within that app. And, Match Group fully understood that for those transactions Google would receive no service fee.
- 42. Match Group also knew well that it did not have to agree to the DDA to make its apps available. The DDA only applies to apps distributed on Google Play. See DDA § 2.1. Nor does the DDA or Payments Policy require content that users pay for that is consumed in an app to be purchased in the app itself, as developers are permitted to collect payments outside of the app, such as through a website. Indeed, Match Group takes advantage of these available alternative options to distribute its apps and obtain payment for in-app content.
- 43. Where Match Group decides to make its apps available through Google Play and, further, to allow users to pay for digital content from within the app, it agreed to the DDA's provision that "You and Your Product(s) must adhere to the Developer Program Policies." DDA ¶ 4.1. Google's Payments policy provides that "Play-distributed apps requiring or accepting payment for access to in-app features or services, including any app functionality, digital content or goods (collectively 'in-app purchases'), must use Google Play's billing system for those transactions [with exceptions for non-digital products or purchases in Korea]." The policy adds: "Examples of app features or services requiring use of Google Play's billing system include, but are not limited to, in-app purchases of: ... subscription services (such as fitness, game, dating, education, music, video, service upgrades and other content subscription services." While Match Group had contended – incorrectly – that language in a previous version of the Payments policy did not apply to its apps, on September 28, 2020, 21 months ago, Google clarified its Payments policy language as reflected above. The DDA expressly provides that Google may make changes to the DDA at any time, and a developer then has the option to terminate its use of Google Play, but if it does not do so then its continued use of Google Play constitutes agreement to any

modified terms of the DDA. DDA ¶¶ 15.1-15.3. Match Group's continued use of Google Play to distribute its apps thus constitutes its agreement to the clarified September 2020 Payments policy language. Despite the advantages derived under the DDA, including the ability to use Google's development tools and to make its apps available to billions of Google Play users without constraint on the ability to use its own websites and other app transactions platforms and without having to pay Google any fee, Match Group willfully and intentionally breached the DDA by refusing to comply with Google's Payments policies.

# E. Match Group Continuously and Intentionally Misled Google Regarding a Willingness to Comply With the DDA

- 44. To date, Match Group has not complied with the DDA's Payment policy. To avoid termination of its apps on Google Play for such non-compliance, Match Group has continuously misled Google, intentionally and in bad faith, regarding its intention to ultimately comply with the DDA. Starting no later than August 2021, Google reasonably relied on Match Group's misrepresentations and deceptive conduct, which induced Google to allow Match Group apps to continue on Google Play and to agree to extend the time for Match Group to come into compliance specifically with Google's Payments policy requirements.
- 45. In October 2017, Google informed Match Group, and other developers, that Google would require compliance with the DDA's agreed to Payments policy. Match Group initially stated (incorrectly) that the Payments policy did not apply to its apps. But Match Group's most popular app, Tinder, was already compliant with the Payments policy and had been using Google Play's billing system for all in-app purchases from its launch in 2013.
- 46. After informing Match Group that it needed to bring its other apps into compliance with the Payments policy, Google immediately began working with Match Group to address feedback and technical concerns relating to Google Play's billing system requirements. Google expended significant resources addressing Match Group's concerns, including by investing many engineering hours to develop billing features that Match Group requested to support its apps consistent with Google Play's system. Despite those efforts, Tinder a Match Group app that had

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27 28 been fully compliant for years – stopped routing in-app payments solely through Google Play's billing system in July 2019.

- 47. Google also met directly with Match Group to explain the policy clarification, and to develop an integration plan for Match Group apps' compliance.
- 48. On September 28, 2020, Google publicly announced a clarification to its Payments policy that made crystal clear that for transactions on Google Play the DDA required developers to use Google Play's billing system for digital items, subscription services, app functionality or content, and cloud software and services. Google advised that "[a]ny existing app that is currently using an alternative billing system in violation of this policy will need to remove it to comply with this update." Google afforded non-compliant developers over a year, until September 30, 2021, to make any necessary changes to meet their agreed upon contractual obligations.
- 49. Match Group received notice of Google's clarification no later than September 28, 2020 with Google's public announcement. Match Group and Google worked towards what Google thought would be a beneficial relationship for both parties and where Match Group would come into compliance with the Payments policy within the designated period. Match Group gave no indication of any intention other than to comply with its agreed upon contractual obligations on or before the impending compliance deadline of September 30, 2021.
- 50. Between August 16 and 26, 2021, however, each of Match Group's 30+ apps submitted an electronic form to Google requesting an extension beyond September 30, 2021 to bring Match Group into compliance with the DDA. The form was accessible to all developers and states: "This extension is intended to aid developers that need more time to comply with Google Play's Payments policy. Do you need more time to comply with Google Play's Payments policy?" Match Group responded "Yes" for all of its 30+ apps, while adding gratuitous and selfserving complaints about the DDA's terms to which it had already agreed. Match Group gave no indication that the extension it sought was for any reason other than to bring itself into compliance with the DDA.
- 51. Google acknowledged Match's request for an extension, stating: "We've reviewed the information in your application form and determined your app is eligible for an extension until Case No. 3:22-cv-02746-JD

March 31, 2022 to come into compliance with Google Play's Payments policy." Match Group did not respond further regarding any intent other than to become compliant with the DDA.

- 52. Relying on Match Group's representations regarding the purpose of the extension, Google continued to assist Match Group to meet its obligations. As late as March 2022, Google worked with Match Group to address purported concerns about billing features, assuring Match Group that Google Play supported large value SKUs, 2/4/8 month subscription periods, additional forms of payment, installment payments, and age-gating the app, among other billing features raised by Match Group.
- 53. Based on its interactions with Match Group during the extension period, it began to become apparent that Match Group's request for an extension was pretextual and its representations that it would comply with the DDA were false. Notwithstanding Google's investment of time and effort to assist Match Group's compliance with the Payment policy, and Match Group's apparent ability in the past to implement technical features necessary to support Google Play's billing system in Match Group apps, to date Match Group has taken no steps to become compliant with the Payment policy.
- 54. Google's good faith reliance on Match Group misrepresentations and misleading conduct concerning compliance with the DDA caused Google to allow Match Group apps to remain on Google Play, thereby affording Match Group with all of the benefits developers realize from Google Play, all the while depriving Google Play of consideration in exchange. If Google had known Match Group's true intentions of never complying with the DDA starting at least as early as August 2021, Google would have, as it is entitled to do under the DDA, removed Match Group's apps from Google Play.

#### IV. <u>CLAIMS AND PRAYER FOR RELIEF</u>

#### **COUNT I**

#### **Breach of Contract**

- 55. Google realleges and incorporates by reference each of the allegations set forth above.
  - 56. Match Group entered into a valid and enforceable contract with Google, the DDA.

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making sales to users through payment systems other than Google Play Billing in order to avoid Google's service fee.

- 66. From at least as early as August 2021, Match Group engaged in conduct in connection with its obligations under the DDA, which deprived Google and frustrated its rights under the DDA. As set forth in paragraphs 50 through 54 above, Match Group intentionally and in bad faith misled Google to believe that Match Group would make necessary modifications to comply with the DDA's Payment policy, upon which Google reasonably relied to its detriment, which induced Google to allow Match Group's apps to remain available on Google Play.
- 67. As a direct result of Match Group's intentional and bad faith conduct, it breached its implied covenant of good faith and fair dealing, causing Google to suffer monetary damages on a global basis.

#### COUNT III

#### **False Promise**

- 68. Google realleges and incorporates by reference each of the allegations set forth above.
- 69. In August 2021, Match Group pretextually requested an extension to come into compliance with the terms of the DDA, knowing full well that it had no intention of doing so. Google, in good faith and reasonably, relied on Match Group's continuing statements and actions which indicated an intention to comply with the DDA, to agree to an extension of time for Match Group's compliance with the Payments policy from September 30, 2021 until March 31, 2022.
- 70. Match Group's specific misrepresentations regarding its intention to comply with the DDA include the August 2021 request of Peter Foster for an extension, Match Group's further representation later in August 2021, that it was updating its apps to comply with the DDA and Google's Payment Policy, and its further representations that it needed additional time to do so, including, for example, an August 19, 2021 communication from Casey Daniell on behalf of Match.com LLC affirmatively responding to Google's inquiry if Match Group required an extension in order to comply with Google Play's Payments policy.

- 71. Match Group did not intend to perform this promise when it made it. This is demonstrated by the fact that Match Group did not bring *any* of its apps into compliance with the DDA and Google's Payments policy during the extension period and, on information and belief, Match Group made no good faith effort to do so. As discussed in paragraphs 45-46 and 53, Match Group had the knowledge and ability to bring its apps into compliance, it just chose not to do so in bad faith.
- 72. Match Group intended that Google rely on this promise by granting Match Group an extension so that Match Group could continue to breach the DDA and Google's Payments policy without Google pulling Match Group's apps from Google Play as permitted under the DDA.
- 73. Google reasonably relied on Match Group's promise. Google would not have granted the extension if it knew that Match Group would not bring its apps into compliance with the DDA and Google's Payments policy during the extension period.
- 74. Match Group did not perform the promised act. It did not bring its apps into compliance with the DDA and Google's Payments policy during the extension period. It made no good faith effort to do so. Match Group's misrepresentations about its intent to perform and its failure to perform were committed and authorized by one or more officers, directors, or managing agents of Match Group. The August 2021 misrepresentations regarding Match's need for an extension in order to bring its apps into compliance with the Payments policy included communications from Peter Foster, Match's General Manager, Global Advertising & Brand Solutions, and a submission by Casey Daniell, Match's Director, Configuration Management. In addition, Match's CEO communicated directly with Google during the extension period about the need to bring Match's apps into compliance with the terms of the DDA during that period and authorized or ratified Match's decision to seek the extension with no intention of performing the promised work to bring Match's apps into compliance.
- 75. Google has suffered monetary damages and incurred unnecessary costs on a global basis as a direct result of Match Group's false promise.

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1	76. Google's reliance on Match Group's promise was a substantial factor in causing its				
2	harm.				
3	<u>COUNT IV</u>				
4	Quasi-Contract / Unjust Enrichment				
5	77. Google realleges and incorporates by reference each of the allegations set forth				
6	above.				
7	78. Match Group has been unjustly enriched at Google's expense by inducing Google				
8	to make modifications to its billing systems and provide distribution and other services to Match				
9	Group at Match Group's request under the understanding that such services were in furtherance of				
10	Match Group bringing its apps into compliance with the DDA, which Match never intended to do.				
11	79. Match Group has unjustly retained these benefits, and continues to do so, without				
12	compensating Google.				
13	80. Google seeks restitution of any such amounts by which Match has been unjustly				
14	enriched at Google's expense.				
15	<u>COUNT V</u>				
16	Declaratory Judgment				
17	81. Google realleges and incorporates by reference each of the allegations set forth				
18	above.				
19	82. There is an actual, substantial, continuing, and justiciable controversy between				
20	Google and Match Group regarding their respective rights under the DDA.				
21	83. Google has the right to terminate Match Group as a registered Google Developer				
22	and to remove an app from Google Play.				
23	84. In light of Match Group's breach of its contractual obligations (and its				
24	misrepresentations that it would bring its Android apps into compliance with the parties' contract),				
25	Google notified Match Group of Google's intent to remove Match Group's apps from Google Play				
26	if Match Group did not cure its breaches.				
27	85. Google therefore has standing to seek declaratory judgment of its rights under its				
28	contracts with Match Group, including the DDA.				
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1	86.	Google seeks and is entitled to a declaratory judgment that: (a) the DDA is a valid,			
2	lawful, and en	nforceable contract; (b) Match Group breached that agreement; and (c) Google has			
3	the contractual right under the DDA to remove Match Group's apps from Google Play and				
4	terminate Match Group as a registered Google Developer due to its breach.				
5		V. <u>JURY DEMAND</u>			
6	87.	Google demands a trial by jury on all issues so triable.			
7		VI. <u>PRAYER</u>			
8	Wherefore, Counterclaimant Google respectfully requests that the Court:				
9	A.	Decree that Match Group is liable for breach of its contractual			
10		obligations under the DDA and enter a Declaratory Judgment as set			
11		forth above;			
12	В.	Decree that Match Group is liable for breach of its implied covenant			
13		of good faith and fair dealing;			
14	C.	Decree that Match Group was unjustly enriched;			
15	D.	Award Google compensatory damages, punitive damages, attorney's			
16		fees, and interest (including, without limitation, under Cal. Civ. Code			
17		sections 3288 and 3289);			
18	E.	Award restitution and disgorgement of all earnings, profits,			
19		compensation, benefits, and other ill-gotten gains obtained by Match			
20		Group as a result of its conduct;			
21	F.	Award such other and further relief as the Court deems just and			
22		proper.			
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1	Respectfully submitted,	
2		
3	Dated: December 1, 2022	MUNGER, TOLLES & OLSON LLP Glenn D. Pomerantz Kuruvilla Olasa
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7		Dane P. Shikman Nicholas R. Sidney
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9		By: /s/ Glenn Pomerantz Glenn D. Pomerantz
10		Counsel for Defendants Google LLC et al.
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12	Dated: December 1, 2022	MORGAN, LEWIS & BOCKIUS LLP
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17		By: <u>/s/ Brian Rocca</u>
18		Brian C. Rocca
19		Counsel for Defendants Google LLC et al.
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		-49- Case No. 3:22-cv-02746-Jl

1	E-FILING ATTESTATION
2	I, Glenn Pomerantz, am the ECF User whose ID and password are being used to
3	file this document. In compliance with Civil Local Rule 5-1(h)(3), I hereby attest that each of the
4	signatories identified above has concurred in this filing.
5	
6	/s/ Glenn Pomerantz
7	Glenn Pomerantz
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